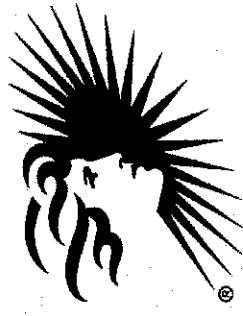


DTE Energy®



Senate Energy & Technology Committee

Trevor Lauer

DTE Energy

October 11, 2011

Overview of Michigan RPS Legislation (Public Act 295 of 2008)



Compliance Targets

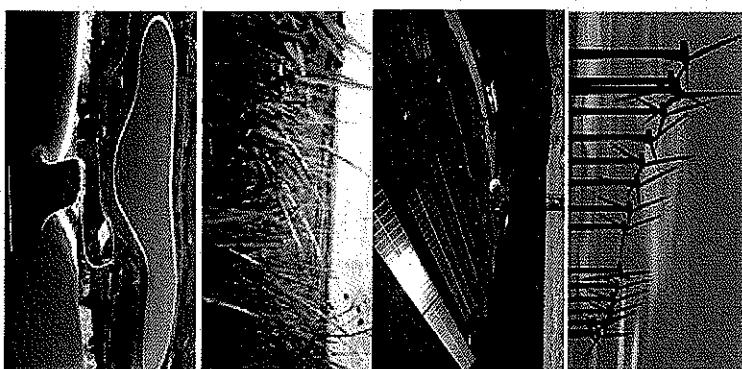
- 10% of retail sales must come from Michigan-based renewable sources by 2015
- New capacity requirements for DTE Energy
 - 300 MW by 2013
 - 600 MW by 2015
- Renewable Energy Credits (RECs) are the compliance mechanism

Funding Mechanisms

- Monthly surcharges capped at:

- \$3 per meter for residential
- \$16.58 per meter for small and medium commercial
- \$187.50 per meter, large commercial and industrial

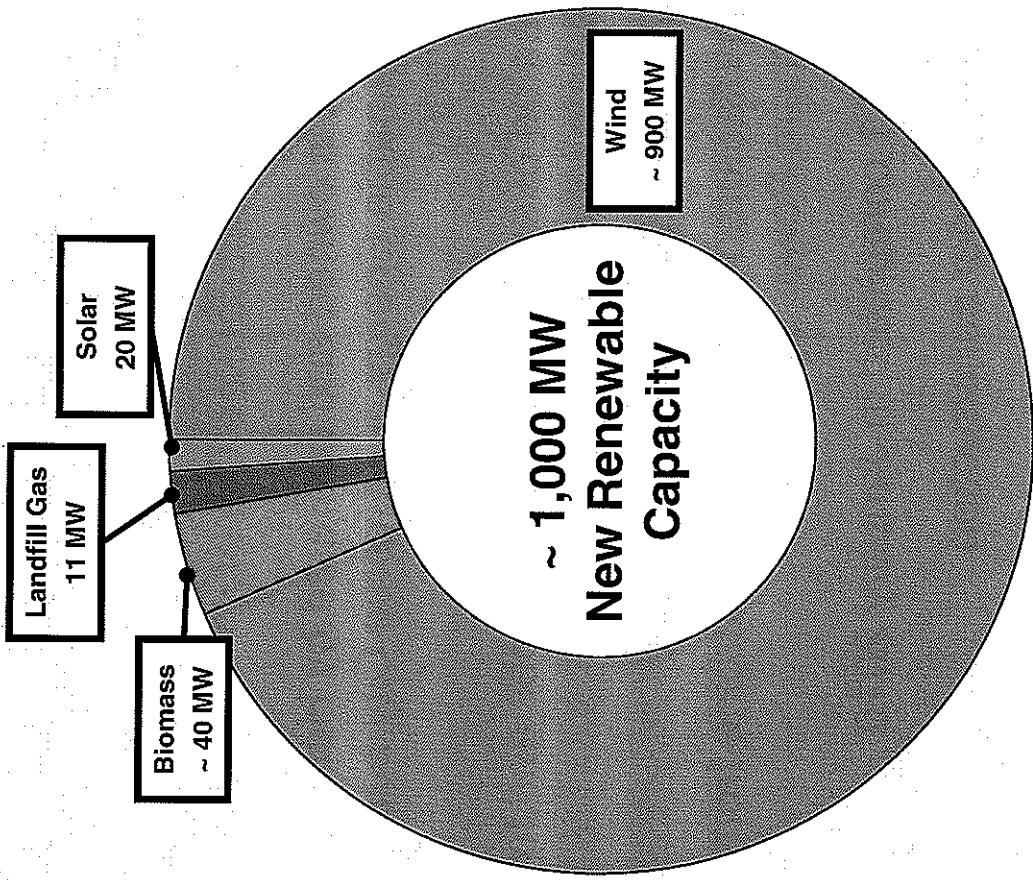
Qualifying Technologies





Detroit Edison's Renewable Energy Plan

- At least 50% will be 3rd party-owned
- Majority expected to be wind energy
- Limited availability of landfill gas, biomass, hydro in Michigan
- Pilot program for Solar



Stoney Corners Wind Farm

DTE Energy



The Stoney Corners wind farm was the first constructed in the state under PA 295.

- Located in Missaukee County
- Project is owned and operated by Heritage Sustainable Energy, a Traverse City-based company
- Created over 100 construction jobs and four full-time jobs
- The project includes a Michigan-manufactured prototype wind turbine from Northern Power Systems
- Phase 1 completed in January 2010
- Phase 2 under construction

Stoney Corners – Northern Power Turbine

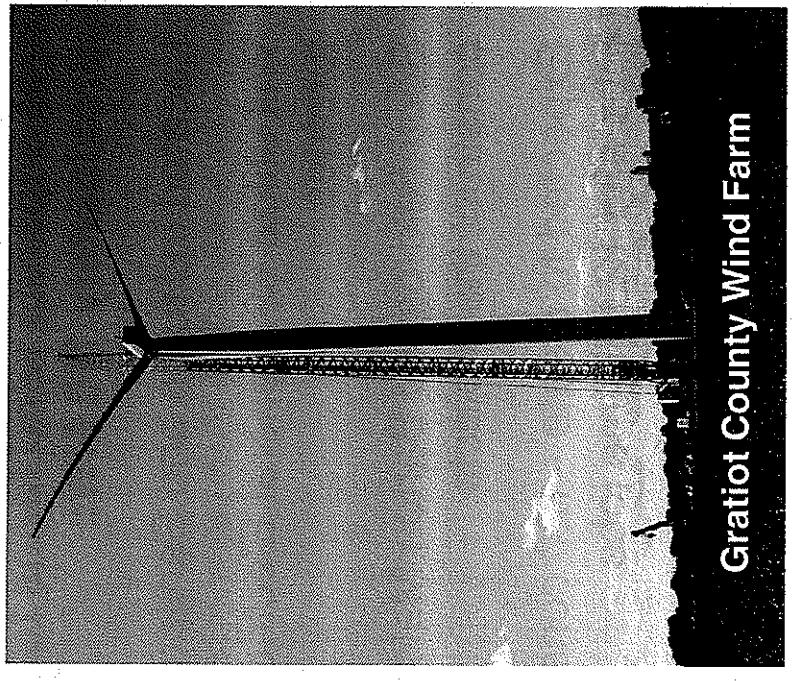
Gratiot County Wind Farm

DT Energy



Construction of Michigan's largest wind farm is well underway:

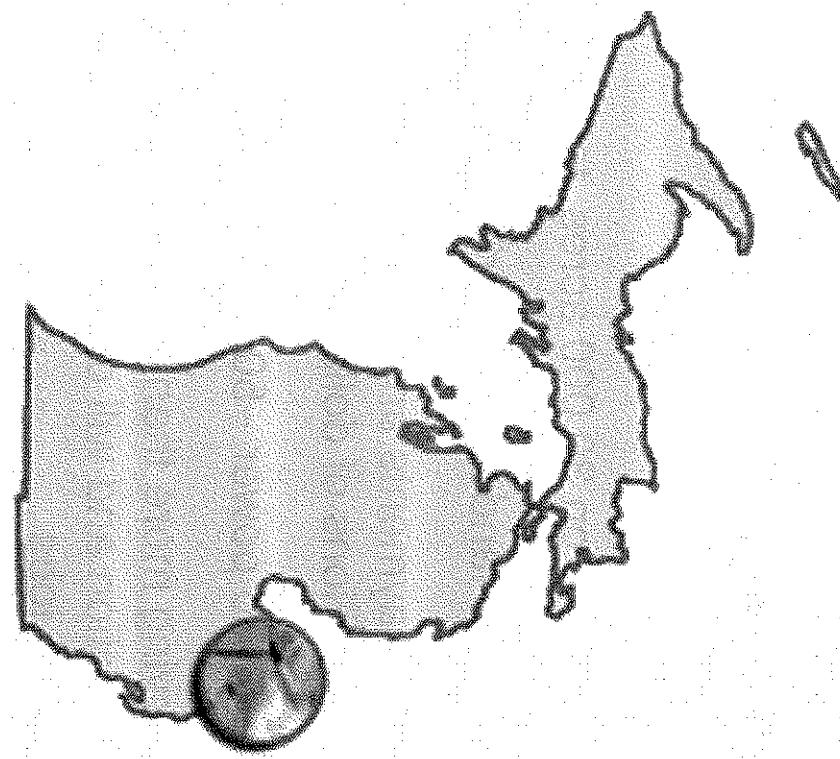
- Located in Gratiot County
- 133 turbines on 30,000 acres, totaling 212 MW
- Nearly 250 landowners participating
- Royalty payments and property taxes totaling tens of millions of dollars
- Capacity to power ~50,000 homes
- Employing more than 200 skilled workers for construction and will create 15 full-time local high-tech jobs
- Construction work is being performed by Aristeo, a Livonia-based company
- Completion expected in Spring 2012



Gratiot County Wind Farm

DTE Energy will begin construction on 3 additional wind farms this year

DTE Energy



Three separate wind farms totaling approximately 110 MW:

- Located in Huron and Sanilac Counties
- Will utilize 69 General Electric wind turbines
- Southfield-based Barton Malow Co. will construct the projects
- Expected to create ~120 construction jobs and 12 full-time jobs
- Delivery of wind turbines will occur next summer
- Expect completion in December 2012

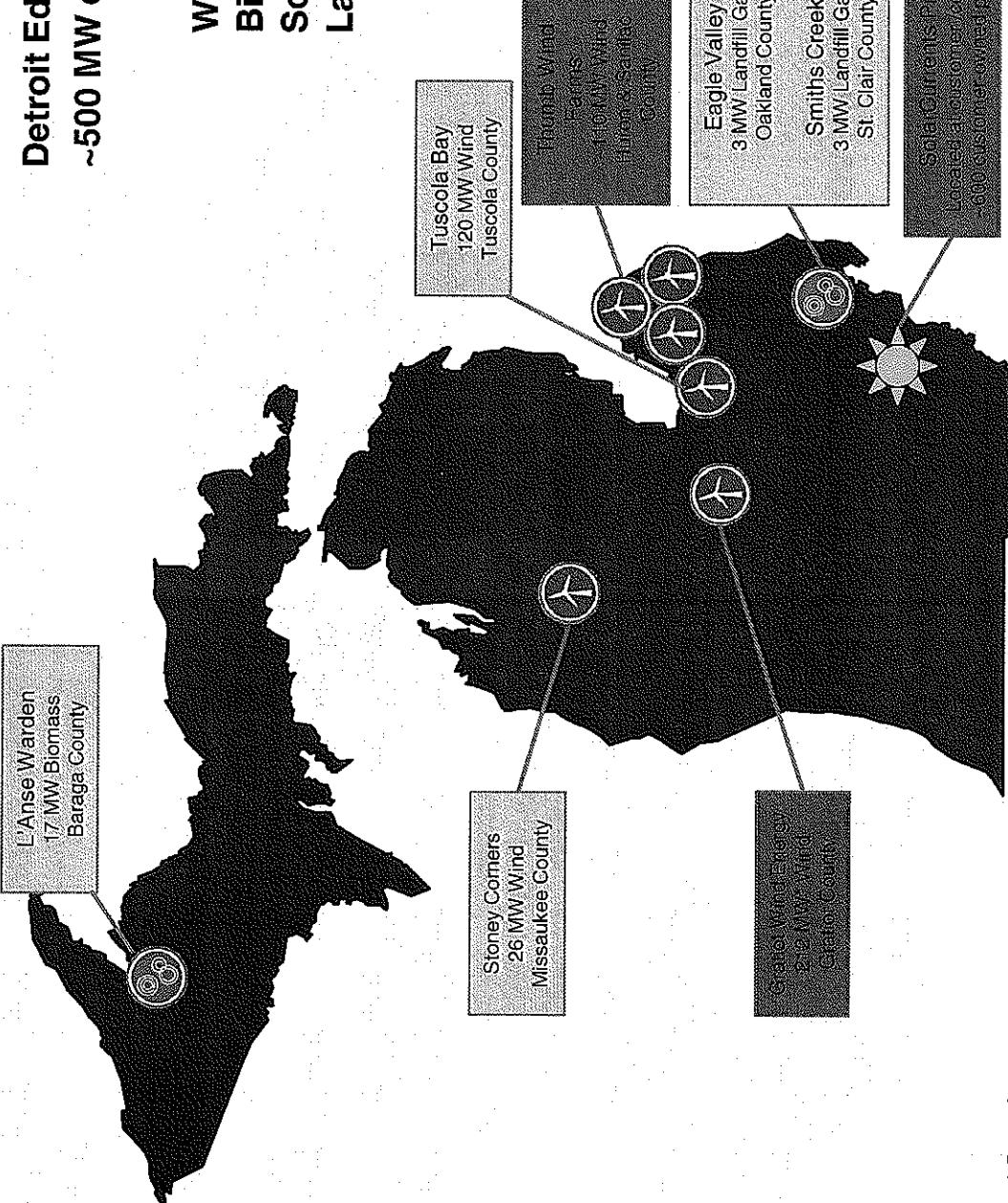
In 2 years, Detroit Edison's renewable portfolio has grown from 1% to 6%

DTE Energy



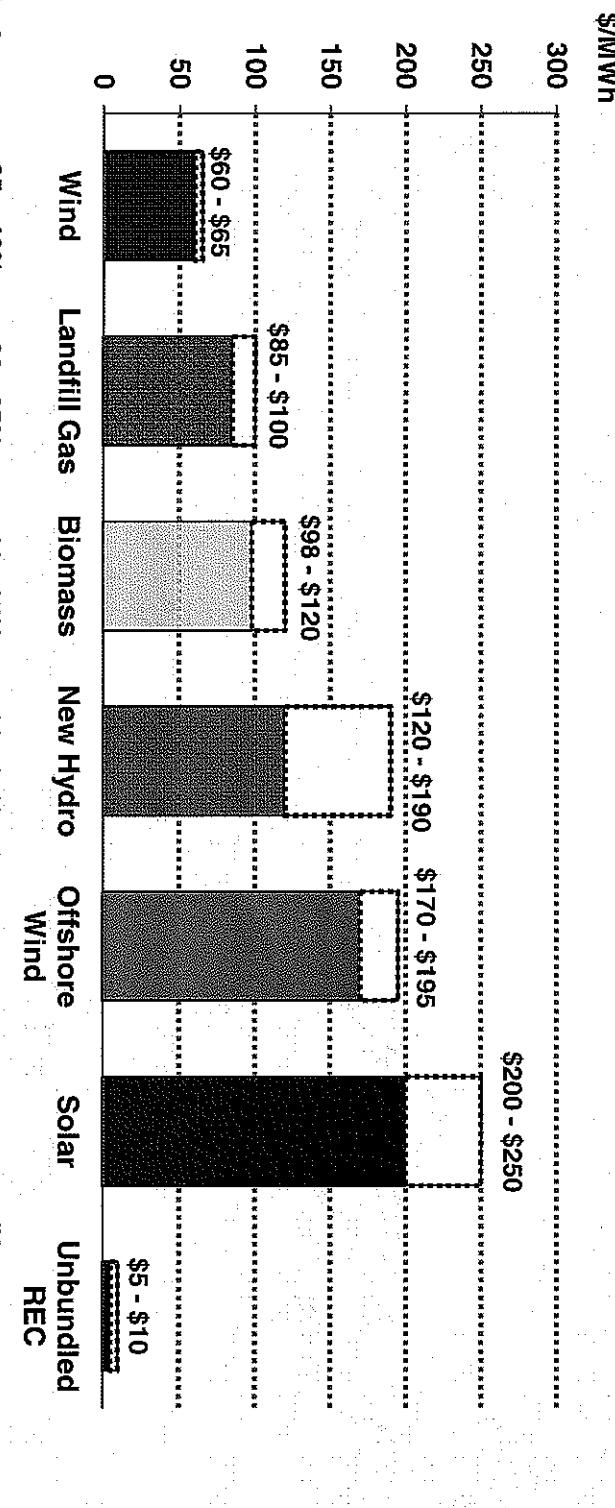
Detroit Edison has already contracted for
~500 MW of new renewable capacity:

	Megawatts
Wind	468
Biomass	17
Solar	7
Landfill Gas	6



* Detroit Edison to own 102.4 MW

Wind energy prices have been the lowest among new renewable sources



- Favorable wind turbine pricing and technology improvements are driving cost down
- Solar cost remains high, even with incentive REC provisions
- All pricing includes production tax credits or treasury grants (currently expire at end of 2012)

Public Act 295 has been successful

DTE Energy



Through PA 295, Michigan has appropriately balanced aggressive renewable targets with cost affordability:

- Moving forward with large and small scale renewable projects
- Creating Michigan jobs and driving economic activity
- Supporting customer affordability with declining renewable energy prices

This has all been made possible by Michigan's comprehensive energy legislation passed in 2008

